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SUBJECT: Libertad Act: Nicaraguan Relations with Cuba

REF: STATE 115416

CLASSIFIED BY: Robert J. Callahan, Ambassador, U.S. Embassy, Managua;
REASON: 1.4(B), (D)

Summary

¶1. (C) Nicaraguan President Daniel Ortega's association with the Cuban regime spans several decades. Since Ortega returned to power in January 2007, Nicaragua has re-established close relations with Cuba, especially through common membership in the Bolivarian Alliance for the Americas (ALBA). Ortega frequently lauds the Cuban socialist model in his public speeches. He has called for an end of the U.S. economic sanctions against Cuba. While trade between the two countries is limited, Cuba sponsors important training and exchange programs in health and education.

Cuba, Nicaragua, and the Revolutionary Brotherhood

¶2. (C) Nicaraguan President Daniel Ortega's association with the Cuban regime spans several decades. Upon release from prison, Ortega spent several months in exile in Cuba during the 1970s. When the FSLN rose to power, Ortega looked to Cuban-style socialism for direction. Throughout the 1980s, the two countries enjoyed close economic, political, and military cooperation. After losing the 1990 elections, Ortega would travel to Cuba frequently and he has maintained close relationships with senior Cuban officials, including Fidel Castro. Ortega and other senior GON official frequently voice support for the Cuban regime:

--On October 28, 2009, Nicaraguan Ambassador to the United Nations Maria Rubiales described the U.S. economic sanctions against the Cuban regime as "cruel, inhuman, illegal, illegitimate, and designed to cause famine, illness and desperation among the Cuban people."

--In protest over the exclusion of Cuba from the April 17 - 19, 2009, Summit of the Americas, Ortega joined Bolivia and Venezuela in refusing to sign the draft declaration.

--In a televised speech on September 20, 2008, in Managua, Nicaragua, Ortega favorably remarked that "Cuba is without question an extraordinary example of a socialist project in the Latin American and Caribbean context."

The ALBA Nexus

¶3. (C) Reflecting ideological and historical affinities with the Cuban regime, Ortega moved immediately after taking office in January 2007 to join Cuba, Venezuela, and Bolivia as the fourth member of the Bolivarian Alliance for the Americas (ALBA). Through ALBA, President Ortega maintains regular contact with high-level Cuban officials. According to open source reporting, Ortega met with a number of senior Cuban officials during the last year:

--On October 18, 2009, in Cochabamba, Bolivia, Ortega met with First Vice President of the Cuban Council of State Jose Ramon Machado Ventura du

--On April 21, 2009, in Havana, Cuba, Ortega met with Fidel Castro. Ortega also participated in a series of media events and received medical treatment while there.

--On April 16, 2009, at an ALBA summit in Cumana, Venezuela, Ortega met with Raul Castro. There, Ortega called U.S. sanctions against Cuba "a true genocide against the people of Cuba," and he called for their removal.

--On April 1, 2009, in Havana, Cuba, Ortega and First Lady Rosario Murillo met with First Vice President of the Cuban Council of State Jose Ramon Machado Ventura and Minister of Foreign Relations Bruno Rodriguez Parrilla.

--On November 26, 2008, in Caracas, Venezuela, Ortega participated in an ALBA summit with Ricardo Cabrisas, Vice President of the Cuban Council of Ministers. There, he likened Nicaragua's battles against European and "Yankee" interventionism to Cuba's struggle against the U.S. trade embargo and international isolation since its revolution.

Trade and Investment

¶4. (U) Nicaraguan-Cuban bilateral trade declined steadily from 1991 to 2005 but has increased since 2007. During the first ten months of 2009, Nicaraguan exports to Cuba totaled \$1.3 million. In 2008, exports totaled \$2.1 million, up from \$700,000 in 2007. The public-private Center for Exports and Investment (CEI) led a delegation of 13 small business owners to participate in the Havana Trade Fair from November 2 - 7, 2009. Nicaraguan imports from Cuba were \$1.6 million in 2008, down from \$6.3 million in 2007 that included the importation of a large quantity of energy-efficient light bulbs. Nonetheless, two-way trade remains insignificant, representing 0.1% percent of Nicaragua's total trade worldwide. Nicaragua's investment promotion agency, ProNicaragua, reports no significant Cuban investment in Nicaragua. In September 2009, Nicaraguan Tourism Minister Mario Salinas announced plans to offer vacation packages for Russian tourists who would visit Cuba and Nicaragua on Aeroflot flights.

Training and Scholarships

¶5. (C) As a legacy of FSLN rule during the 1980s, Cuba and

Nicaragua have historically collaborated on health and education programs. Since Ortega took office in January 2007, this collaboration has intensified:

-- Cuban Vice Minister of Health Marcia Coba visited Nicaragua in October 2009 and met with President Ortega. She led a Cuban medical mission comprising 68 doctors and other specialists who would remain in Nicaragua for at least six months to provide medical care to patients vetted by Citizen Power Councils (CPCs), a local governance structure that bypasses elected municipal officials and reports directly to First Lady Rosario Murillo.

--Through "Operation Miracle," Nicaraguan government officials claimed in October 2009 that Cuban doctors, with Venezuelan funding, have performed cataract surgery for more than 60,000 Nicaraguans since January 2007.

--Under a long-standing agreement, any member of the Nicaraguan military can receive free medical treatment in Havana, though in practice most are served by local military hospitals and seek specialized care in the United States.

--According to Embassy contacts, Cuba is supporting Nicaraguan intelligence gathering, with training and personnel, against Nicaraguan and U.S.-based democracy activists.

--For years, Cuba has offered full scholarships to Nicaraguan students to attend Cuban universities. According to May 2009 press reports, as many as 900 Nicaraguans are currently studying in Cuba, 700 of them studying medicine.

--Cuban teachers participate in a Cuban-designed rural literacy program in Nicaragua called "Yes, I Can." On October 18, 2009, President Ortega credited the assistance provided by Cuba for the decline in Nicaragua's illiteracy rate to 3.8%.

Comment

16. (C) While President Ortega's ideological and historical affinity with the Cuban regime make the two natural allies, it is ALBA that provides the framework for the relationship and Venezuelan funding that facilitates programs at the operational level. Ortega and other government officials frequently praise Cuban assistance, while ignoring - or in some cases criticizing as insufficient - the estimated \$50 million (excluding MCC) in assistance that the USG provides annually to Nicaragua through a variety of programs.
CALLAHAN